

Whittier Head of the Bay – Questions and Answers from 11/23/2021

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1. Question: Has there ever been a discussion of a casino destination here among the Huna Totem Corp?

- a. With the current Alaska state laws and regulations, a casino is not a realistic consideration for the Head of the Bay project.*

2. Question: When is the gym opening? :)

- a. The City will coordinate with the School to determine whether it is possible to re-open the gym to public use after the first of the year. The decision is not a budgetary decision (the City has included funding for Open Gym in the 2022 City Budget), but depends on the school's policies regarding allowing open gym during pandemic times.*

3. Question: Will you build a better playground for the kids?

- a. The 2022 City Budget has included some funding for playground equipment. The City is also applying for a Community Development Block Grant to purchase indoor/outdoor equipment (including playground equipment, possible assistance to construct the rock wall at the school) to promote recreational opportunities for youth and adults, while social distancing. The City is in the process of completing the design of a new City Park that would offer a number of amenities for youth and adults. Also, in the current Head of the Bay project plans, the waterfront park is a key feature. The Park includes a playground with an unaltered fjord beach. This site plan also includes a series of trails leading to and from the park, connecting new and existing trails with the pathway leading into the City of Whittier.*

4. Question: What about a fishing pier for kids and handicap people?

- a. Construction of a breakwater may offer a unique opportunity to allow for a walkway on the pier with fishing platforms to provide access to fishing for all ages.*

5. Question: How about a community swimming pool?

- a. Everyone LOVES a swimming pool, especially in Alaska where swimming and boater safety is such a necessary part of Alaskan life. However, pools are very expensive to maintain. For cities the size of Whittier, it is normally unlikely that a swimming pool would be financially viable. If enough residents were interested in a pool, combined with the revenue increase created through port fees paid to the city, Whittier could have the flexibility to explore developing an indoor pool.*

6. Question: While the Leonard tram is fine, a tram on the bench across the bay with forest service partnership opens up some very unique attractions.

- a. The City of Whittier and Huna Totem will partner with the Forest Service to consider all trail locations and other access options. The bench across the bay does offer spectacular views and recreation opportunities. Local expertise is a critical part of any trail or wilderness access point being created for Whittier and travelers to the region.*

7. Question: Will the trolley go to all the businesses?

- a. The trolley will be part of the public discussion process to determine the level of public support for various transportation options. Local stakeholders will have a say in the route of a possible trolley to minimize any adverse impacts while promoting the positive impacts of bringing visitors into town and the harbor to support local businesses.*

8. Question: How will you manage additional vehicle and foot traffic in and around town?

- a. Most of the visitors coming in by cruise ship will not be traveling in a vehicle, adding to traffic congestion. However, components of the proposed project could include a trolley to alleviate traffic by providing alternative means for visitors to travel from one end of town to the other. Additional parking to be constructed at the Head of the Bay could potentially move current buses, large truck and trailer combinations out of the harbor district, in favor of better-planned parking closer to new launch ramps at the Head of the Bay. This project could potentially alleviate much of the traffic congestion in the Harbor. CPV funds can be used to improve wayfinding by creating new signage, directing visitors to walking paths safely.*

9. Question: Foresee problems with city traffic

- a. Traffic congestion is one of Whittier's primary challenges. However, opening the Head of the Bay property to additional parking will be a component of the solution to the City's harbor parking problem by allowing large trucks and trailers to be moved out of the harbor district. The cruise ship passengers do not bring vehicles, but will require buses and/or train cars to transport passengers out of the tunnel; planning to address this challenge will be a primary element of the Huna Totem project plan. The plan includes expanding departure times from the cruise ship and increase local tour offerings to reduce congestion while increasing*

business opportunities and revenues for Whittier. The Head of the Bay trolley is also considered for use by visitors and locals to reduce traffic.

10. Question: Would Huna be willing to pay for a shuttle to provide transportation service in Whittier?

- a. Coordinated transportation is an important consideration of Huna's proposed cruise dock development project. The community will weigh in on the level of support for tram, shuttle, rail, and trolley as options for moving passengers. Huna Totem has taken into consideration the need to move passengers, as well as the cost to facilitate transportation of passengers.*

11. Question: How much pull will the cruise line have?

- a. Having Huna Totem as Whittier's partner brings the expertise, experience, and relationships require to bring balance to the Head of the Bay project for the city with the cruise lines. The cruise lines are customers of the port. Working together through the public process, with the city council, city management and Huna Totem will create the right, long-term operating parameters for the port and for the cruise lines that plan to call on Whittier.*

12. Question: How big will it be?

- a. The overall scope of the project at the Head of the Bay will be determined based on public input, so the overall size will be determined after considerable public input. The size of the new, harbor specifically, will be determined based on the type of vessels to be located in this harbor; larger commercial vessels require larger (and fewer) slips; smaller recreational vessels require smaller (and more) slips.*

13. Question: How do we prevent it from becoming diamond international? (cruise ship owned diamond stores)

- a. Huna Totem does not allow non-Alaskan businesses to operate in their ports. Huna Totem Corp is not a cruise line; it is an Alaska Native Corporation with values that align with their Alaskan shareholders. Their business model works best when they create partnerships between the cruise lines, their shareholders, the local business community, and the towns in which they maintain a presence. Their business model is not to have the cruise line come in and own all of the small businesses, but instead to partner with existing businesses and support the creation of new opportunities for business development.*

14. Question: To reiterate, will there be a terminal operator agreement for the cruise terminal that utilizes a signatory employer of the All-Alaska Longshore Agreement (AALA) employing ILWU workers?

- a. Huna Totem's intent is to use union contractors from construction to standard dock operation. Huna Totem does not utilize union labor in Hoonah because as the Native corporation for the Hoonah community, their goal is to employ their shareholders. However, when developing the business model for this proposed*

project, local labor union costs were considered as part of the operating model for baggage handling, vessel docking, etc.

15. Question: How will having more people visiting town affect businesses that are already here?

- a. This project will bring many more visitors to Whittier. It is expected that existing local businesses would be strengthened by an increase in visitors to their business. In addition, residents who may be interested in starting new businesses would have the opportunity to lease space to start a new business or relocate an existing business. There are opportunities for new retail businesses that currently do not exist (i.e. tackle shop) or other businesses that cater to visitors such as through the sale of souvenirs and items specific to Whittier ("I survived the Tunnel" t-shirts, etc.).*

16. Question: How would new businesses be staffed?

- a. If development of this project is approved, it would bring many jobs and increased amenities to Whittier. Local residents who are not currently employed would be able to find jobs in town and the project itself would be expected to attract new people interested in working in vibrant tourism-related businesses.*

17. Question: How would businesses be staffed?

- a. Huna Totem has a track record of approximately >80% local and Alaska Native hire in Hoonah; that is very encouraging for Whittier, as they would expect to be able to hire any local person who is interested and eligible for a job. It is more expensive to import staff, so Huna would hope to hire local residents for jobs and only import staff if there is insufficient local interest.*

18. Question: Will the jobs created be given first opportunity to local residents?

- a. Huna Totem's business model is to partner with the local communities in every possible way, to strengthen the relationship and ensure that they have sufficient resources to run their operations. The most important resource of any business is its employees. Huna Totem would like to hire any local resident who is interested in working and who is qualified. In Hoonah, the Corporation has worked hard to help train youth in customer service skills, operations of a point-of-sale cash register, how to smile and greet customers to make them feel welcome, and to prepare young people overall for future careers. In some cases, youth who have been hired by Huna Totem have gone on to start their own businesses (fish tacos, charter boat operations), or to become captains and deckhands within the local community. Huna has not started any of their own fishing or tour boat charter businesses but instead, prefers to partner with existing local businesses to strengthen those businesses by connecting cruise passengers with local tour opportunities.*

19. Question : How can local citizens compete for limited business sites along boardwalk?

- a. Huna Totem would prefer to work with locals who are interested in establishing businesses in Whittier, as that creates the strongest mutual interests and*

partnerships. However, there are other opportunities for locals to create businesses that may not require a spot on the boardwalk. For example, in Hoonah, there are several successful independent businesses catering to cruise guests and other visitors, as well as businesses. The point is there will also be opportunities for businesses that will not require a brick-and-mortar buildings. For example, someone could start a t-shirt business that sells t-shirts to local businesses for placement in their shop. Many Whittier-centered crafts and souvenirs could be sold in partnership with an existing store so that an individual without the means to pay for a lease on the boardwalk would still have the ability to sell their product in Whittier.

20. Question: Will you focus on labor available in Whittier OR create opportunities to bring labor in?

- a. Huna Totem prefers to partner with the local community and fill jobs utilizing local residents. In Hoonah, their operation is approximately >80% local and Alaska Native hire, starting with hiring the majority of the school's students, who begin work in the bookstore and gift shop. Other residents own and operate stores, art galleries, restaurants and cafes, all benefiting from a port-based economy. As part of Huna Totem's ongoing efforts to give back to the community, the profits from Icy Strait Point's bookstore go to fund Hoonah Schools activities, like sports teams travel, school clubs, and field trips.

21. Question: What will happen to fish spawning beds?

- a. Consideration of fish spawning will be a vital component of the permitting process and mitigation measures will be considered that protect and enhance fish spawning. Enhancing the ability for visitors to view fish spawning activity offers an opportunity to thoughtfully plan how best to protect fish habitat while incorporating this critical habitat into the development footprint.

22. Question: How do we protect our oceans and shorelines from cruise ship dumping? (e.g. They are willing to pay the fines and dump near shoreline)

- a. "Cruise lines are under strict regulations around the discharge of waste water as well as exhaust. Alaska ship pilots, employed by the state of Alaska, guide every ship entering College Fjord. As well as a navigation adviser, the Alaskan pilots monitor the ship's systems to ensure local, state, federal and international laws are being observed. When the ship's crew are not following the letter of the law, strict fines are placed on the cruise line. Not following the laws in Alaska could prevent a cruise line from operating in all US waters. All cruise lines have an environmental sustainability plan to reduce emissions and impacts year-over-year. No industry is more regulated than the cruise industry. For more information about the history, government regulation, environmental studies, and NCL's Environmental, Social and Governance (ESG) report. See links below: <https://www.npr.org/2019/06/04/729622653/carnival-cruise-lines-hit-with-20-million-penalty-for-environmental-crimes>

https://d1io3yog0oux5.cloudfront.net/nclhltd/files/pages/nclhltd/db/1149/description/NCLH+2020+ESG+Report_Final+for+Distribution.pdf
<https://www.alaskapublic.org/2021/03/01/cruise-ships-dont-appear-to-be-behind-ketchikans-beach-bacteria-problem-so-what-is/>

23. Question: Recreation & Wilderness

- a. *Huna Totem Corporation desires to create a cruise destination where cruise passengers are encouraged to disembark and partake in local attractions, including hiking, kayaking, wildlife and glacier tours, fishing tours, etc. This project has the potential to contribute funding toward creation of new recreational opportunities, including access to existing and yet-to-be-created trails, better trail connectivity, possible construction of a new RV park to encourage more families to visit Whittier, and access to backcountry hiking and recreation opportunities. The US Forest Service is a strong stakeholder and City partner; the parties will work with Huna to determine the best opportunities for improving trails and expanding trail connectivity, upgrading trailheads, restrooms, etc. The City also partners with the PWS Economic Development District on grant opportunities to improve local trails.*

24. Question: Will there still be beach access?

- a. *The boardwalk is elevated in order to protect the beach so that it can still be utilized, maintaining the beach access is retained.*

25. Question: When the wave struck Whittier in 1964, it was 40 feet high. Have you considered what would happen if a wave struck the head of the canal?

- a. *The 1964 Alaska Earthquake impacted a number of Alaska's coastal communities, such as Whittier and Seward. These communities were adversely impacted and, as a result, both have removed the oil storage facilities along their shores. Both communities have redeveloped since the earthquake, and there is always risk associated with waterfront development. To mitigate those risks, cities and private businesses maintain earthquake insurance to reconstruct amenities resulting from earthquake damage.*

26. Question: Environmental Impact

- a. *Huna Totem will only succeed if their business model succeeds. They take environmental stewardship very seriously and require the same of the operators with whom they do business. Cruise lines who wish to berth in Whittier will need to exhibit environmentally responsible behaviors in order to demonstrate that they are partners who will fit with Huna's vision for Whittier as a premier cruise ship destination.*

27. Question: Guarantee percentage of beach access

- a. *The cruise ship dock and boardwalk does not extend to block beach access; on the contrary, the boardwalk is elevated to allow for pedestrians walking along and using the beach.*

28. Question: Has the Forest Service been consulted?

- a. *The City has been working in partnership with the US Forest Service on many projects, such as Shotgun Cove Road, Portage Pass trailhead, local trails, etc. The Forest Service is a major stakeholder and will be invited and encouraged to participate in the planning process for amenities that expand access to trails, wilderness, and backcountry.*

29. Question: What about our local Native Corp? Is Chugach Alaska at the table?

- a. *As a Native corporation, Huna Totem has experience working in partnership with other Native corporations. Both Tatitlek and Chugach are considered major stakeholders in Whittier, and they are planning to participate the Head of the Bay project and in Whittier's economic development.*

30. Question: How would the Huna Totem Corp deal with policing, increase for public safety, emergencies, rescues, trash?

- a. *The City and Huna Totem would work together to identify and address public safety needs and concerns. Cruise Passenger Vessel tax proceeds can be used to pay for any additional impacts to public safety services resulting from the project, as those services directly benefit the safety of cruise ships and passengers. Huna Totem also budgeted to maintain private security in the port area to help provide a healthy and safe experience for all visitors to the port.*

31. Question: What is the expected business performance of this investment? (e.g. Cost and revenue expected)

- a. *The public process will identify the various elements of the project to be developed. At each stage, each component of development will undergo a financial analysis that will examine the costs, revenues, impacts. Various elements will not be pursued if they do not make sense financially, unless funding sources are identified to pay for those elements. For example, we cannot determine the potential costs of a new harbor until we know the size, the types of vessels, the size of slips. Once that is determined, we look at the waiting list to see whether those slip sizes have existing demand to determine the potential revenue. We have existing data from our harbor and other area harbors to fairly estimate the cost of operations, and new construction in various locations offers data about reasonable cost estimates for construction. Phase I of the proposed project includes construction of a cruise ship dock, bus turn-around area, and rail depot at an estimated cost of \$80 million to be paid by third party investors.*

32. Question: What is the cost to the city for all the items on the list?

- a. *Each possible element will be separately examined to determine the cost once it is determined that the public supports that element. For example, various grants are available to fund elements such as launch ramps and upland parking/paving construction. The waitlist can demonstrate demand that will support revenue bonds for construction of a new harbor. Cruise passenger fees can be used to build elements that directly support the port and harbor, so long as those*

features are beneficial to the cruise ship passengers. The City expects to have success seeking grant funding to construct amenities at little cost to the local taxpayers. There are additional operational benefits to the City which will be paid for from proceeds of additional property and sales taxes generated by the project.

33. Question: Who will pay for the breakwater, and can it be merged with the current WRDA project at the head of the bay?

- a. The City has been working with the USACE on a breakwater project for many years and has made significant progress. Much of the project may be eligible for federal funding, with the City required to contribute matching funds to the project. Until the public has indicated support for project elements that necessitate a breakwater, and the size of breakwater is known, we will not be sure of the City's costs for the project.*

34. Question: How will you protect trails in Whittier?

- a. One of the primary benefits to the community from cruise ship passengers is funding from the Commercial Passenger Vessel (CPV) Tax program. This program provides funding to communities impacted by cruise ships and their passengers. CPV funding can be used to improve, enhance and restore trails, including upgrades to trailhead parking, restrooms, trail materials, trail repairs, etc. to offset impacts from additional visitors. A project of this magnitude could provide funding for seasonal improvements to local trails which would protect habitat and enhance existing trails.*

35. Question: What is the reality of the city using the CVP \$ to improve city infrastructure when money has limited use?

- a. CPV Funding can be used to support cruise ship impacts to the community. So long as the amenities will support and improve the visitor experience, the City and Huna will work closely with the cruise ship industry to ensure that they support the purposes for which the City intends to spend CPV monies. Impacts such as upgrades to water and sewer infrastructure and road improvements necessary to support additional commercial traffic are considered direct impacts caused by the cruise industry, and are eligible uses of this funding. Also, port and harbor infrastructure that supports the cruise ship passengers is also an eligible use of these CPV funds.*

36. Question: Does Huna offer any small business loan opportunities?

- a. No. However, there are other institutions available that focus on small business loans and assist in the development of business and financial planning.*

37. Question: Who is responsible for infrastructure during the off season? (e.g. water and electric)

- a. The City leases many local properties including the existing cruise ship dock and terminal (to Princess). The lessees are responsible for paying the costs of utilities on their properties year-round, including water, electric, etc.*

38. Question: How will it be funded?

- a. *Huna Totem Development Group and its investors will be funding Phase I (cruise ship dock, terminal, bus depot, boardwalk, bus turn-around), expected to cost \$80 million. If the community elects to construct a City-owned harbor, the breakwater will be largely paid by the USACE with a required City match which could potentially be a candidate for CPV funding, to the extent that the breakwater would protect any infrastructure required for the cruise terminal facility. The harbor itself would likely be funded by a revenue bond backed by new revenues created through the creation of slips and/or docks. The Department of Fish and Game has funding available for construction of launch ramps and upland parking that assists recreational boaters in launching boats in Alaska. Additional amenities could be added and funding will depend on various factors such as who is served by the feature/element, does the feature generate revenues that can cover the cost of construction, etc.*

39. Question: How will city pay for roads, parks, or harbor upgrades if we don't pursue opportunities like this?

- a. *As communities are able to rely less and less on funding from the state and federal governments, Alaskan communities are having to learn to be self-sustaining. Given the age of Whittier's water and sewer infrastructure, it is likely that the community would have to take out low-interest loans to fund replacement, since funding has not been set aside over time to replace infrastructure. Likewise, roads are costly and would need to be funded through the City's current budget. Unfortunately, there is no identified revenue stream to replace existing City infrastructure. This significant economic development project has the potential to allow the City to utilize cruise ship tax proceeds to assist in upgrading our roads (to accommodate commercial bus traffic) and our water/sewer infrastructure, since cruise ships rely on those amenities. Fortunately, Whittier is a small community and the synergies to be created through a partnership with Huna Totem could offer significant positive opportunities to upgrade City infrastructure to meet the needs of both the cruise industry and the local community.*

40. Question: What would happen to the air strip?

- a. *The air strip is owned by the State DOT and any decisions regarding the future of the air strip will be made by the State and the FAA. Currently, the air strip serves as an important safety option for small planes who are unable to pass through the valley due to unexpected changes in weather conditions. Despite the existence of the air strip, aircraft in distress also have options to land on the road from the tunnel or near the tunnel, based on State law.*

41. Question: Parking

- a. *Parking congestion is one of Whittier's primary challenges. Development at the Head of the Bay offers new potential parking areas to relieve congestion by*

rerouting large truck and trailer combinations out of the Harbor area and toward larger parking areas at the Head of the Bay. New opportunities could potentially open to improve amenities and services (such as valet parking/launching, parking structure, etc.). New launch ramps at the Head of the Bay could offer parking that is in closer proximity to launch ramps, significantly improving the safety and efficiency of launching for boaters, while relieving congestion at the launch ramps in the Small Boat Harbor. Huna Totem's model is to have bus parking located out-of-sight of visitors, so there will be an effort to ensure bus traffic impact is minimized.

42. Question: Congestive Traffic

- a. Huna Totem is studying local traffic patterns, train capacities and schedules, and guests' debark/embark plans to develop new ways to increase throughput while decreasing traffic impacts on the citizens of Whittier. This includes, but is not limited to, working with DOT, the railroad and the cruise lines, and busing companies to operate differently. Solutions include, but are not limited to, extending passenger debarkation, increasing local tours, increase train capacity, better bus staging, extended tunnel hours, and tours that head south as well as north.

43. Question: How will this work with high and low tides?

- a. Construction of a cruise ship dock will require engineering to determine the ideal location, depth, methods and means and will take into consideration both high and low tides to ensure that passengers are able to embark and disembark safely and efficiently.

44. Question: Who will maintain the proposed small boat harbor? City or Huna Totem?

- a. The proposed new boat harbor would be owned and operated by the City. It is not a necessary component of Huna's proposed development but could become a vital component of the economic development opportunities if it is identified by the community as a priority.

45. Question: Can we build a boat stack facility to reduce traffic congestion?

- a. Economic development of this type allows for options such as a boat stack facility to reduce congestion. It could also open up space in the current Small Boat Harbor for kayak racks and other improved amenities, as vessels move to the Head of the Bay, alleviating some congestion in the current harbor.

46. Question: Employee housing

- a. Employee housing will be an important consideration in the planning of development. It may be possible to create some housing at the Head of the Bay or, alternatively, to consider other viable locations for construction of new housing in areas that are not currently utilized for housing.

47. Question: Will housing be provided for new employees?

- a. The need for employee housing will be decided based on market analysis and the scope of the project. It is likely that the project will require additional employee

housing which will be considered by the City of Whittier during the next phase of the project planning.

48. Question: Where will housing come from?

- a. There are various potential options to address housing. Boardwalk development could be multi-use with retail on the lower level and housing on upper levels. Depending on land suitability, employee housing may be an option. Increased development may encourage existing private property owners to either develop housing or consider selling their property which could open opportunities for residential housing. The amount of required housing will be better known once a decision has been made about which components of a potential project will be pursued.*

49. Question: How will this affect housing costs? Will Whittier remain affordable?

- a. An increase in the demand for housing has the potential to increase the price of housing. However, the Project will likely need to increase the amount of housing available for employee housing. If the community is interested in building additional housing, the City will need to consider possible locations for housing, as well as to address funding opportunities for housing development.*

50. Question: Will there be sufficient housing for employees who work seasonally?

- a. Any business with employees faces the challenge of how best to house their employees. Ideally, local residents will fill open jobs in town. However, if businesses import employees, they will have to consider where it is best to house them. Huna Totem will evaluate the right solution for providing housing for their own employees, in their business development plan. If this development occurs, the City will also consider whether there is a need for additional housing; it is likely that a private developer would be incentivized to construct new employee housing if demand for housing were cost-effective. It is also possible that CPV monies can be leveraged to promote employee housing should the project result in an employee housing shortage.*

51. Question: Why have another RV Park? We have no residential housing why not turn RV Park into Residential Housing?

- a. Nearby communities with municipal campgrounds generate more than \$1 million in camping fees alone. This is a low-impact but high-return business that has the potential to generate substantial new revenues to the City, while also encouraging our Alaskan neighbors to choose Whittier as their family's Alaska designation of choice. The proposed RV park would be constructed to the south of the tunnel in order to separate more of our visitors from directly impacting Whittier's core which is already strained by multiple uses (industrial, harbor, railroad, fish processing, etc.). It may be possible to build residential housing in the proposed RV park location, depending on the topography, water table, etc. Given the topography and the terrain, housing in this location may not be as*

ideal due to the need to bring in significant infrastructure, expand winter snowplowing, etc. Housing in this location may be cost-prohibitive.

52. Question: What is the timeline for this project?

- a. After approval for the project, it would take about 6 to 12 months to secure necessary permits. If the first phase of the project included both dock and terminal, the end to end work would take about 24 months considering the inability to construct during the winter season in Whittier.*

53. Question: Why are we doing this project now?

- a. This project represents an opportunity to address many of the primary goals identified in our Comprehensive Plan (relieving parking congestion, additional housing, Head of Bay development, economic development, increased jobs, etc.). The project aligns with our vision to build first-rate facilities, attract visitors, and improve the quality of life for residents, while highlighting our unspoiled, natural environment. The project is being considered "now" because the City has been approached by Huna Totem with a request to lease the tidelands for construction of a cruise ship dock and terminal, plus the opportunity for additional upland development. This proposed project is a direct outcome of Huna's proposal to the City.*

54. Question: How long will construction be and how loud will the noise be?

- a. If the public supports the initial phase of the project (Tidelands Lease for construction of a cruise dock and terminal facilities), following the permitting process, construction of the cruise dock, boardwalk, and terminal facilities is expected to take approx. 24 months. Many of the components necessary for the project will be done offsite. This includes the dock and trussell, boardwalk framing, and train depot structure pieces. Construction noise will be addressed in the terms of a construction contract, to ensure that noise is minimized especially during morning/evening hours. However, pile driving is expected to result in noise similar to what the community experienced during recent harbor improvements.*

55. Question: What is the timeline for each phase and how will that be communicated?

- a. The timeline for the first phase of the project (construction of the cruise dock, bus parking area, boardwalk and rail depot) is estimated to take 6 to 12 months for permitting and 24 months from the date Council approves Phase I, until completion of construction. Other upland development options will be identified and phased in order to achieve economies of scale for mobilization/demobilization to reduce costs, etc. The public will be informed through City Council meetings as well as periodic updates to the City's website, where a page specific to the Head of Bay Project is being created, to inform the public of each stage of the project.*

56. Question: How soon will it start?

- a. If the public supports the initial phase of the project (Tidelands Lease for construction of a cruise dock and terminal facilities) and Council votes to enter*

into a lease, the permitting process can begin. That process is expected to take approximately 6 to 12 months.

57. Question: What is the projected timeline of construction for phase 1?

- a. The overall projected timeline of construction for Phase I is approximately 24 months, including the initial 6 to 12 month period for the permitting process, followed by construction.*

58. Question: What will happen to tunnel congestion?

- a. Ship scheduling is currently planned not to coincide with Princess ships. Ship passengers are encouraged to extend their stay in Whittier, participate in tours, kayak trips, hikes, etc. which aids in spreading out tunnel departures. The City can discuss with DOT whether there is flexibility to extend tunnel hours to relieve congestion. The possibility of rail transport may relieve additional vehicle traffic, including buses.*

59. Question: Tunnel

- a. The City and Huna Totem will hold stakeholders discussions with Ferrovial (tunnel operator) and DOT (tunnel operator) to ensure that the project's impact on the tunnel (and vice-versa) is considered early during the planning phase, to ensure tunnel traffic and impacts are minimized.*

60. Question: Will there be as possibility for the tunnel to open longer than 15 minutes each opening?

- a. DOT is responsible for determining the tunnel schedule, and the length of tunnel openings depends on multiple factors including weather conditions, the need to purge railcar exhaust from the tunnel for safety purposes, etc. One of the stakeholder groups will include DOT and we will compile the questions related to the tunnel and request additional responses from DOT.*

61. Question: Are you familiar with the rail freight traffic and AWHs traffic in town and tunnel?

- a. Part of the planning for this project includes coordination with the Alaska Railroad and the Marine Highway to mitigate traffic and rail congestion to the extent possible.*